G. R. S. 58]

Previous references.

1877

~~191~~

(Banking)

File No. 1

Serial Nos. 1-9

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1 to 9

all **Part B for**

SUBJECT.

Appointment of Inspectors to examine into the affairs of the Bangalore Bank.

Indexed

Mirza Nazeer Husain

W D 1351—GPB—20,000—13-12-13

No.	2742
Name of Petitioner.	Dr. J. W. & Shareholders of the Bangalore Bank Ltd. etc
Village.	Bangalore
Taluk.	D-
District.	D-
Date of Arzi.	15-9-77
Date of Receipt	24-9-77
Date of Disposal.	
No. of Enclosures.	8

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ABSTRACT.

Praying for the appointment of Inspectors under the provisions of Section 60 of the Indian Companies Act X of 1866 to examine into the affairs of the Bank

24-9-77 Enclo. 8

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Banking 9
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To

C. B. SAUNDERS, Esq., C. B

Chief Commissioner of Mysore & Coorg.

In the Matter of the INDIAN COMPANIES ACT, X of ~~1877.~~ 1866.

AND

In the Matter of the Bangalore Bank (Limited) carrying on business at South Parade, Bangalore.

The Memorial of the undersigned Shareholders of the above mentioned Bangalore Bank, (Limited.)

Respectfully Sheweth,

1. That your Memorialists have strong reasons for anxiety with reference to the present condition of the said Bangalore Bank (Limited) and which they believe has drifted into such state by reason of gross irregularities and mismanagement on the part of the Directors and Agent thereof.

2. That your Memorialists have had ample proof of the improper reticence, which has been persistently adhered in on the part of the Directors and Agent, in view to preventing all Shareholders from acquiring a knowledge of the true state of facts about the Bank, and this conduct on their part has been, despite the investigation held since the Shareholders Meeting of the 27th February last, and which investigation, the Directors and Agent must have known was the means of disclosing some of the many irregularities of the Bank.

3. That in proof of this persistent reticence on the part of the Directors and Agent, your Memorialists desire to state that in May last, the Appointed Members who held the investigation directed by the Shareholders, caused to be printed and furnished to the Agent of the said Bangalore Bank (Ld.), for circulation among all the Shareholders, 600 copies of a pamphlet (in English, Canarese, and Tamil), containing the Directors Report, (1), Mr. B. Ramalingum's Report, (2) the Agent's Rejoinder, (3), the Agent's Report, (4), and the Auditor's Report, (5) which pamphlet the Directors and Agent wrongfully withheld from the Shareholders, and thereby intentionally prevented all Shareholders from acquiring any knowledge of such important information contained therein, and which moreover, formed the very basis of the investigation resolved on by the Shareholders at their last meeting in February 1877, and held accordingly

4. That the said investigation by the Appointed Members together with the Directors of the said Bank, has terminated, the details of which are set forth in the printed Proceedings of the Meetings of Enquiry in book form furnished to all Shareholders, together with the Report of the Appointed Members thereon, in print, copies of which are herewith respectfully submitted

for the information of the Local Government, together with three copies of pamphlets circulated among Shareholders by Mr. H. C. Gooch, who was Pleader of the Bank; and from all these it can be clearly gathered that the present condition of the said Bangalore Bank (Ld,) is extremely undesirable, but the full extent of its ruinous and unstable condition and all the various causes which must have originated such a reprehensible state of matters, is, in our opinion, far from being sufficiently and lucidly known, by reason of the limited power deputed to the two Appointed Members and of their consequent inability to unravel the many intricacies which were found to exist, added to the obstacles wantonly thrown in the way of the Appointed Members by the very Directors of the said Bangalore Bank (Ld.) during the whole course of the investigation; that your Memoralists, many of whom are likely to suffer much by any further injury to the Bank, and being anxious that every possible measure should be adopted speedily to resuscitate it, desire to state their wish plainly against the Bank being wound—up if it can be ascertained that such step can be obviated; and your Memorialists also desire to express their conviction that nothing short of a most thorough and searching investigation can help to assist and establish the required resuscitation; as such would make plain not only the full extent of all irregularities, losses, and damages, but it would also bring to light, the liability of the persons guilty of negligence and impropriety, and therefore the prospect of the Shareholders requiring the recouping from such parties according to their responsibilities, which would be one of the surest means of the re-establishing of the Bank with something like an approximate amount of its funds, without which it may probably collapse.

4. That many important Shareholders of the said Bangalore Bank (Ld.) reside at distant stations, and whom your Memorialists feel sure would glady sign this MEMORIAL if they were present in the station, and from whom your Memorialists undertake to furnish powers of Attorney, if necessary, to sign this Memorial on their behalf; but your Memorialists submit this MEMORIAL speedily as they apprehend great danger to their interests if any further delay be permitted, and your Memorialists beg to assure the Local Government that printed copies of this Memorial shall be duly forwarded to all Shareholders residing out of Bangalore.

5. That your Memorialists are aware the power rests with the Shareholders to appoint Inspectors under the provisions of Section 60, of the INDIAN COMPANIES ACT, X of 1866, but your Memorialists specially desire to avoid adopting this measure, knowing as they do, the difficulties, delay and opposition which would be studiously created by some of the local Shareholders, who are either defaulters themselves to the Bank or in someway directly interested in matters of indebtedness, apparently on the part of Non-Shareholders, and whose main object it would be to frustrate all such honest intentions.

6. That as an instance of delay and an effort to frustrate upright proceedings your Memorialists respectfully draw attention to the obstinacy and wilful neglect on the part of the Directors and Agent in not convening a General Meeting of the Shareholders until the 12th Instant and subsequent to the circulation of Mr. Gooch's Pamphlet No. 3, at page 12 of which, he called the special attention of all Shareholders to the necessity of sending in a requisition to convene an EXTRAORDINARY GENERAL MEETING, which Mr. Gooch did at the special request of the Appointed Members, whose repeated application to the Agent for such meeting was wantonly and wilfully disregarded.

7. That your Memorialists would further draw the attention of the Local Government to the wanton neglect and failure on the part of the Agent (which doubtless the Directors must have been aware of,) to furnish the Appointed Members with a correct list of the Shareholders so repeatedly called for in writing by the said Appointed Members, and this obstinacy was continued despite the Directors and Agent's knowledge that they were bound to act in compliance

under Section 31 of the INDIAN COMPANIES ACT, X of 1866; and further that Mr. Gooch wrote on behalf of the Appointed Members to the Agent on the 28th August (see page 10 of Mr. Gooch's pamphlet No. 3) requesting the Agent to furnish such list and evenwarned him that if he did not *forthwith* comply, an application would be made to the Judicial Commissioner for a *Mandamus*, and that the circumstance would be reported to the Registrar of Joint Stock Companies in Bangalore; but in the face of all this, the Agents obstinacy has *persistently continued* and the appointed Members have done their best, with the aid of a list of Shareholders obtained from Mr. Gooch, to circulate their Proceedings and Report.

8. THAT your Memorialists therefore pray that, under Section 56 of the INDIAN COMPANIES ACT, X of 1866, the Local Government may be pleased to appoint such number of competent Inspectors as it may deem fit to examine into the affairs of the said Bangalore Bank (Ld.), and to report thereon in such manner as the Local Government may direct.

AND your Memorialists as in duty bound

Shall ever Pray.

BANGALORE, 15*th Sept.* 1877.

Names of Shareholders	No. of Shares held	Names of Shareholders	No. of Shares held
		Kyungattara chetty for Pondary Chetty deceased	25
[illegible]	57	Kyungattara chetty for	
[illegible]	28	V. Singaravalu Chetty deceased	45
[illegible]	15	V. Sonderlinga Chetty	10
[illegible]	20	V. Sathaswara Chetty	35
[illegible]	3	Kyungattara chetty for Amboorthimall	5
[illegible]	6	Kyungattara chetty for Bowamala Rumall	5
[illegible]	196	Kyungattara chetty for Meenachee Ismall	5
[illegible] for A. A. Lokalinga [illegible]	5	Kyungattara chetty for Subbamall	5
[illegible] for A. A. Somasundara [illegible]	5	Kyungattara chetty for M. Singaravalu Chetty	5
Kyungattara chetty	52	Kyungattara chetty for V. Sundrasawmy Chetty	10
Kyungattara Chetty for Veesalachee Ismall	5	M. Venkatachellum chetty	11

6/

Memorial of Shareholders, with 8 encls.

7

Names of Shareholders	No of Shares held	Names of Shareholders	No of Shares held
[illegible]			
[illegible]	5		
[illegible]	10.		
[illegible]	10		
[illegible]	9		
[illegible]	6.		
[illegible]	19.		
[illegible]	9		
[illegible]	38.		
[illegible]	2		
[illegible]	5		
[illegible]	4.		
[illegible]	5		
[illegible]	5		
[illegible]	2.		
[illegible]	5		
[illegible]	15		
[illegible]	87		
[illegible]	30		
[illegible]	135		

From 6 1877 No 2494

To N.W.R. Banr Esqr
& Asst-Govt Bangalore
Bankg Co Ltd

Bankg Co
1-71
2 Dated 24th September 77
Despatched " —— "
Received

Enclosures No. 1 Printed copy memorial
dt 15-9-77.

General No. 6114
H No. 280

Forward copy of the memorial from some of the Shares holders praying for the appointment of Inspectors to examine into the affairs of the Bank & report & to be informed if it can be complied with -

Fr. W. T. Leonard shareholder
Ord 3237 D 24/9/77
522 R

Mysi: Chief Comrs: Office
Bangalore 24th Septr: 1877

General No: 6114

F 280

To

N R Bain Esqr

Agent of the

Banking Bangalore Bank Limited

F-77

2

Sir,

I am directed by the Chief Comrs to forward for the information of the directors of the Bangalore Bank, Limited, the enclosed copy of a Memorial submitted by some of the Shareholders, praying for the appointment of Inspectors, under the provisions of Section 60 of the Indian Companies Act X of 1866, to examine into the affairs of the Bank and to request that you will on behalf

> Rd Obligingly Returned

of the Directors to shew cause in writing before 12 A.M. on Thursday next the 27th Instant why the application should not be granted.

Thanks &c

by

8

24/9/77

9

1877

D3238

533½

From

To Mr T Leonard

Sec B.

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3

Dated 27 Sept.r

Despatched

Received 12th Novr/77

Enclosures No. 4

General No.

No.

Summary & Copies of a Memorandum of Association of the Local Board signed by 4 shareholders aggregating 160 shares.

To Agent Bangalore Bank &c,

No 6114 D 24/9/77 Agt 24/9/77

286

Ofna

To be filed with the Papers Copies in Bay Bank by Dfg

P 27. Sept 1877

Major J. Clarke

Secretary to the Bankruptcy Court for Ceylon

Dear Sir

I beg to forward you herewith 4 Copies of the Memorandum re the B. Bank, submitted to the Creditors agreed by four shareholders aggregating 146 shares

Yours &c.

Geo. Thomas

Enc: to 613 11

Section——

File No——

To

C. B. SAUNDERS, ESQ., C. B.,

Chief Commissioner of Mysore & Coorg.

IN the Matter of the INDIAN COMPANIES' ACT, X of 1877.

AND

IN the Matter of the BANGALORE BANK (Limited), carrying on business at South Parade, Bangalore.

THE MEMORIAL of the undersigned SHAREHOLDERS of the above mentioned BANGALORE BANK, (Limited)

RESPECTFULLY SHEWETH,

1. THAT your Memorialists have strong reasons for anxiety, with reference to the present condition of the said Bangalore Bank (Limited) and which they believe has drifted into such state by reason of gross irregularities and mismanagement on the part of the Directors and Agent thereof.

2. That your Memorialists have had ample proof of the improper reticence, which has been persistently adhered in on the part of the Directors and Agent, in view to preventing all Shareholders from acquiring knowledge of the true state of facts about the Bank; and this conduct on their part has been, despite the investigation held since the Shareholders Meeting of the 27th February last, and which investigation, the Directors and Agent must have known was the means of disclosing some of the many irregularities of the Bank.

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AND your Memorialists as in duty bound
Shall ever Pray.

BANGALORE, 15*th Sept.* 1877.

Signed at Bolacanund
24th September 1877
witnessed

14

To

C. B. SAUNDERS, ESQ., C. B.,

Chief Commissioner of Mysore & Coorg.

In the Matter of the INDIAN COMPANIES ACT, X of 1877.

AND

In the Matter of the BANGALORE BANK (Limited), carrying on business at South Parade, Bangalore.

The MEMORIAL of the undersigned SHAREHOLDERS of the above mentioned BANGALORE BANK, (Limited.)

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5. That your Memorialists are aware the power rests with the Shareholders to appoint Inspectors under the provisions of Section 60, of the INDIAN COMPANIES ACT, X of 1866, but your Memorialists specially desire to avoid adopting this measure, knowing as they do, the difficulties, delay and opposition which would be studiously created by some of the local Shareholders, who are either defaulters themselves to the Bank or in someway directly interested in matters of indebtedness, apparently on the part of Non-Shareholders, and whose main object it would be to frustrate all such honest intentions.

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AND your Memorialists as in duty bound

Shall ever Pray;

C Krishna & holder of 100 Shares

BANGALORE, 15*th Sept.* 1877.

Coonbaconum
26th September 1877

16

To

C. B. SAUNDERS, Esq., C. B.,

Chief Commissioner of Mysore & Coorg.

In the Matter of the INDIAN COMPANIES ACT, X of 1877

AND

In the Matter of the Bangalore Bank (Limited), carrying on business at South Parade, Bangalore

The Memorial of the undersigned Shareholders of the above mentioned Bangalore Bank, (Limited.)

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5. That your Memorialists are aware the power rests with the Shareholders to appoint Inspectors under the provisions of Section 60, of the INDIAN COMPANIES ACT, X of 1866, but your Memorialists specially desire to avoid adopting this measure, knowing as they do, the difficulties, delay and opposition which would be studiously created by some of the local Shareholders, who are either defaulters themselves to the Bank or in someway directly interested in matters of indebtedness, apparently on the part of Non-Shareholders, and whose main object it would be to frustrate all such honest intentions.

6. That as an instance of delay and an effort to frustrate upright proceedings your Memorialists respectfully draw attention to the obstinacy and wilful neglect on the part of the Directors and Agent in not convening a General Meeting of the Shareholders until the 12th Instant and subsequent to the circulation of Mr. Gooch's Pamphlet No. 3, at page 12 of which, he called the special attention of all Shareholders to the necessity of sending in a requisition to convene an EXTRAORDINARY GENERAL MEETING, which Mr. Gooch did at the special request of the Appointed Members, whose repeated application to the Agent for such meeting was wantonly and wilfully disregarded.

7 That your Memorialists would further draw the attention of the Local Government to the wanton neglect and failure on the part of the Agent (which doubtless the Directors must have been aware of,) to furnish the Appointed Members with a correct list of the Shareholders so repeatedly called for in writing by the said Appointed Members, and this obstinacy was continued despite the Directors and Agent's knowledge that they were bound to act in compliance

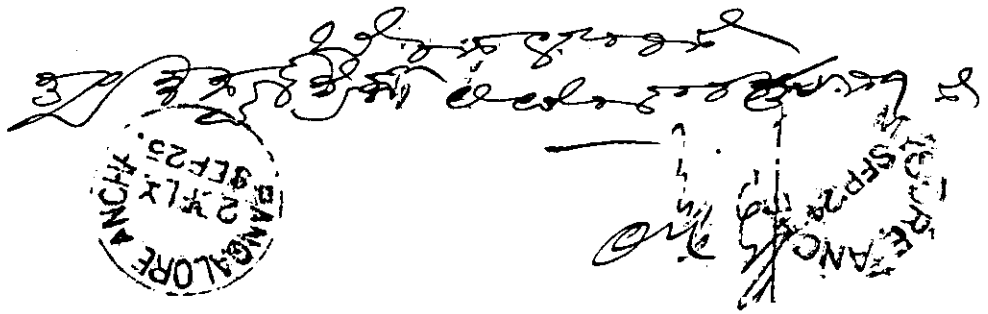
18

under Section 31 of the INDIAN COMPANIES ACT, X of 1866; and further that Mr. Gooch wrote on behalf of the Appointed Members to the Agent on the 28th August (see page 10 of Mr. Gooch's pamphlet No. 3) requesting the Agent to furnish such list and evenwarned him that if he did not *forthwith* comply, an application would be made to the Judicial Commissioner for a *Mandamus*, and that the circumstance would be reported to the Registrar of Joint Stock Companies in Bangalore; but in the face of all this, the Agents obstinacy has *persistently continued* and the appointed Members have done their best, with the aid of a list of Shareholders obtained from Mr. Gooch, to circulate their Proceedings and Report.

8. THAT your Memorialists therefore pray that, under Section 56 of the INDIAN COMPANIES ACT, X of 1866, the Local Government may be pleased to appoint such number of competent Inspectors as it may deem fit to examine into the affairs of the said Bangalore Bank (Ld.), and to report thereon in such manner as the Local Government may direct.

AND your Memorialists as in duty bound
Shall ever Pray.

BANGALORE, 15*th Sept.* 1877.



Anchorpaid

T. T. Leonard Esq
Captn Reid's
Bangalore

To

C. B. SAUNDERS, ESQ., C. B.,

Chief Commissioner of Mysore & Coorg.

In the Matter of the INDIAN COMPANIES ACT, X of 1877.

AND

In the Matter of the BANGALORE BANK (Limited), carrying on business at South Parade, Bangalore.

The MEMORIAL of the undersigned SHAREHOLDERS of the above mentioned BANGALORE BANK, (Limited.)

RESPECTFULLY SHEWETH,

1. THAT your Memorialists have strong reasons for anxiety with reference to the present condition of the said Bangalore Bank (Limited) and which they believe has drifted into such state by reason of gross irregularities and mismanagement on the part of the Directors and Agent thereof.

2. That your Memorialists have had ample proof of the improper reticence, which has been persistently adhered in on the part of the Directors and Agent, in view to preventing all Shareholders from acquiring a knowledge of the true state of facts about the Bank, and this conduct on their part has been, despite the investigation held since the Shareholders Meeting of the 27th February last, and which investigation, the Directors and Agent must have known was the means of disclosing some of the many irregularities of the Bank.

3. That in proof of this persistent reticence on the part of the Directors and Agent, your Memorialists desire to state that in May last, the Appointed Members who held the investigation directed by the Shareholders, caused to be printed and furnished to the Agent of the said Bangalore Bank (Ld.), for circulation among all the Shareholders, 600 copies of a pamphlet (in English, Canarese, and Tamil), containing the Directors Report, (1), Mr. B. Ramalingum's Report, (2) the Agent's Rejoinder, (3), the Agent's Report, (4), and the Auditor's Report, (5) which pamphlet the Directors and Agent wrongfully withheld from the Shareholders, and thereby intentionally prevented all Shareholders from acquiring any knowledge of such important information contained therein, and which moreover, formed the very basis of the investigation resolved on by the Shareholders at their last meeting in February 1877 and held accordingly.

4. That the said investigation by the Appointed Members together with the Directors of the said Bank, has terminated, the details of which are set forth in the printed Proceedings of the Meetings of Enquiry in book form furnished to all Shareholders, together with the Report of the Appointed Members thereon, in print, copies of which are herewith respectfully submitted

20

for the information of the Local Government, together with three copies of pamphlets circulated among Shareholders by Mr. H. C. Gooch, who was Pleader of the Bank; and from all these it can be clearly gathered that the present condition of the said Bangalore Bank (Ld,) is extremely undesirable, but the full extent of its ruinous and unstable condition and all the various causes which must have originated such a reprehensible state of matters, is, in our opinion, far from being sufficiently and lucidly known, by reason of the limited power deputed to the two Appointed Members and of their consequent inability to unravel the many intricacies which were found to exist, added to the obstacles wantonly thrown in the way of the Appointed Members by the very Directors of the said Bangalore Bank (Ld.) during the whole course of the investigation; that your Memoralists, many of whom are likely to suffer much by any further injury to the Bank, and being anxious that every possible measure should be adopted speedily to resuscitate it, desire to state their wish plainly against the Bank being wound—up if it can be ascertained that such step can be obviated; and your Memorialists also desire to express their conviction that nothing short of a most thorough and searching investigation can help to assist and establish the required resuscitation; as such would make plain not only the full extent of all irregularities, losses, and damages, but it would also bring to light, the liability of the persons guilty of negligence and impropriety, and therefore the prospect of the Shareholders requiring the recouping from such parties according to their responsibilities, which would be one of the surest means of the re-establishing of the Bank with something like an approximate amount of its funds, without which it may probably collapse.

4. That many important Shareholders of the said Bangalore Bank (Ld.) reside at distant stations, and whom your Memorialists feel sure would glady sign this MEMORIAL if they were present in the station, and from whom your Memorialists undertake to furnish powers of Attorney, if necessary, to sign this Memorial on their behalf; but your Memorialists submit this MEMORIAL speedily as they apprehend great danger to their interests if any further delay be permitted, and your Memorialists beg to assure the Local Government that printed copies of this Memorial shall be duly forwarded to all Shareholders residing out of Bangalore.

5. That Memorialists are aware the power rests with the Shareholders to appoint Inspectors under the provisions of Section 60, of the INDIAN COMPANIES ACT, X of 1866, but your Memorialists specially desire to avoid adopting this measure, knowing as they do, the difficulties, delay and opposition which would be studiously created by some of the local Shareholders who are either defaulters themselves to the Bank or in some way directly interested in matters of indebtedness, apparently on the part of Non-Shareholders, and whose main object it would be to frustrate all such honest intentions.

6. That as an instance of delay and an effort to frustrate upright proceedings your Memorialists respectfully draw attention to the obstinacy and wilful neglect on the part of the Directors and Agent in not convening a General Meeting of the Shareholders until the 12th Instant and subsequent to the circulation of Mr. Gooch's Pamphlet No. 3, at page 12 of which, he called the special attention of all Shareholders to the necessity of sending in a requisition to convene an EXTRAORDINARY GENERAL MEETING, which Mr. Gooch did at the special request of the Appointed Members, whose repeated application to the Agent for such meeting was wantonly and wilfully disregarded.

7. That your Memorialists would further draw the attention of the Local Government to the wanton neglect and failure on the part of the Agent (which doubtless the Directors must have been aware of,) to furnish the Appointed Members with a correct list of the Shareholders so repeatedly called for in writing by the said Appointed Members, and this obstinacy was continued despite the Directors and Agent's knowledge that they were bound to act in compliance

under Section 31 of the INDIAN COMPANIES ACT, X of 1866; and further that Mr. Gooch wrote on behalf of the Appointed Members to the Agent on the 28th August (see page 10 of Mr. Gooch's pamphlet No. 3) requesting the Agent to furnish such list and evenwarned him that if he did not *forthwith* comply, an application would be made to the Judicial Commissioner for a *Mandamus*, and that the circumstance would be reported to the Registrar of Joint Stock Companies in Bangalore; but in the face of all this, the Agents obstinacy has *persistently continued* and the appointed Members have done their best, with the aid of a list of Shareholders obtained from Mr. Gooch, to circulate their Proceedings and Report.

8. THAT your Memorialists therefore pray that, under Section 56 of the INDIAN COMPANIES ACT, X of 1866, the Local Government may be pleased to appoint such number of competent Inspectors as it may deem fit to examine into the affairs of the said Bangalore Bank (Ld.) and to report thereon in such manner as the Local Government may direct.

AND your Memorialists as in duty bound

Shall ever Pray.

S. Ramu
Shareholder
10 Shares

BANGALORE, 15*th Sept.* 1877.

Kennets Road
Egmore
Madras. 21 Sept 1877

22 1877

5-34½

Mr J Morgan

Pte
Paul
77
4

Dated 27th Sept 77

Despatched

Received

Enclosures No.

General No.

No.

Sir

I am directed to acknowledge the receipt of your letter of the 8th Instant, forwarding the undermentioned

Vide

Lr Asst Bangalore Bank (?)
OA 208 5361 27/9/77

Bangalore 27th September 1877

23

Major J. G. Clarke
Secretary to the Chief Commissioner
Bangalore

Sir,

Mr. Bain, the Agent of the Bangalore Bank Limited having called on me this morning and afforded certain explanations as to the present state of the Bank and other matters connected therewith, I beg to request you will be pleased to cancel my signature to the Memorial of the 15th Instant.

As a General Meeting of the Shareholders will be held on Saturday next, I trust the subject connected with the Bank which may require putting to rights will be done by the Shareholders under the Provisions of the Companies Act

I remain
Sir
Your most Obedient Servant

D. 3208
5 8 6/2

24

1877

From The Agents, Bangalore Bank.

To Secy. to Chief Comm.r of Mysore.

2

Dated 27 Sept.r 1877.

Despatched

Received

Enclosures No.

General No.

No. 1877.

Submits cattle particulars with reference to the memorial submitted by Messrs Arnold & Leonard.

Copy of Para 6 Resolution of Govt. dated 24th Augt. 1877 on the above subject

Mr Bains letter Enclosed in Sealed packet

WR

Rao Bahadur N Taramasawmy Esq.
No 6206/183 D 15/9/77

25

Bangalore 27th September 1877

Major J. L. Clarke.

Secretary to the Chief Commissioner
of Mysore
Bangalore.

Sir

I have the honor to acknowledge the receipt of your letter No. 6114/280 of the 24th Instant, and in obedience to the instructions therein contained, to submit, for the Chief Commissioners Consideration, the following particulars, with reference to the Memorial forwarded with your letter and which was presented by Mr. H. Clooch and Mr. J. J. Leonard, both of whom are merely Binamee holders of Shares in the Bangalore Bank viz Mr. Gooch, of 2 Shares lent to him by Mr. W. Garratt since the 26th April 1877, and Mr. Leonard of only a sing Share lent to him (in an unfortunate moment) by Mr. F. N. Abraham on the 27th February 1877.

2. In order that the introduction of Mr. J. J. Leonard and Rai Bahadoor Arcot Narraindaumy Mudelliar into the

the investigation of the Banks affairs may be understood. I beg to submit for perusal the Proceedings of the General Meeting of Shareholders held on the 27th February 1877. From this, it will be seen that these two persons were appointed as members of "a committee to investigate the assertions made in the Second Report with Agents' Rejoinder and submit the result of their enquiries to a General Meeting to be called two months hence."

3. Instead of confining themselves to the work thus clearly prescribed, the two persons above-named not only prolonged the period of enquiry, but took upon themselves to probe into other affairs connected with the Constituents of the Bank of a more recent date, and thus not only exceeded their powers but also in direct opposition to the recorded wishes of the Shareholders at the General Meeting, have printed and published papers and proceedings of the Bank quite irrelevant to the work assigned

assigned to them, and have moreover, of their own authority circulated the same to the Shareholders with letters and pamphlets written by them and by Mr. H. C. Gooch, containing statements calculated to create a panic and to the prejudice of the Bank.

4. It was simply the duty of Messrs. J. T. Leonard and Rai Bahadoor Arcot Narrainsammy Modelliar to assist the Directors in investigating the Second Report and the Agent's rejoinder and to submit the result of their enquiries to a General Meeting; but the unconstitutional and erratic course pursued by the said two Members in having printed the reports of the Bank in English, Canarese and Tamil, at an unauthorized expense of Rupees 605—"—" which Mr. Leonard chose to do as he happens to be the Proprietor of a Press (thereby benefitting himself by the job) rendered it impossible for the Directors to convene a General Meeting of the Shareholders, inasmuch as the only object for which such a Meeting could have been called was to lay before such

such Meeting the results of the Inquiries by the Committee. The report of the Committee was therefore necessary to have been first received, but instead of submitting such a Report Messrs. T. T. Leonard and Rai Bahadur Arcot Narrainsawmy Moodelliar have thought it proper to orientate their printed letter of the 8th September 1877 (herewith submitted) purporting to be the report, which should have been in the first instance drawn up in connection with the Directors and thereafter submitted to a General Meeting

5. From the printed letter of the 8th September 1877 above referred to, it will be seen that the two said Members took upon transactions both long before as well as subsequent to, the 31st December 1876, and with which they had nothing to do, and the circumstances connected with which they did not take the trouble fully to acquaint themselves. They have merely put matters in such a way, and so in collusion with their moving spirit,

Mr.

Mr. V. C. Gooch (whose hostility is occasioned from the simple fact of his having ceased to be the Pleader of the Bank) as to create some undefined feeling of doubt and suspicion in the minds of the Shareholders as to the affairs of the Bank.-

6. It will be seen from the Memorial that of the 42 Signatures attached thereto, only 30 persons have actually signed, and of these I would beg to submit the following particulars:

(1) Dr. J. H. Orr, who signs for 50 Shares holds no proprietory right to these Shares. He merely holds them in deposit as Security for the Octroi Contractor and if he has any reason to doubt the goodness of the security, he has the power to call for other security

50
0
196
2
4
1
323

(2). V. Kistnasawmy, Guardian for Patcham-mah has signed as holder of 1 Shares; but this person merely holds a Scrip of Rupees 120, and which sum does not even represent one share.-

(3) A. R. Sabapathy Maodelliar, President Widow Family Pension Fund, signs as the holder of 196 Shares. This Fund has a body of Trustees, whose consent and

Signatures

Signature would be necessary to validate his signature; but which has not been obtained, moreover Mr. A.R. Subbaiutty Moodeliar, has by a Printed Notice dated 9th September 1871. i.e Six days before date of the Memorial, resigned the Presidentship.

(4) V. Gungatharah Chetty has signed for V. Thondroy Chetty, 25 Shares, and for V. Singaravalos Chetty 45 Shares, with the words "as requested." This therefore cannot be recognized as valid or legal.-

(5) A. Teroovengadasawmy has signed as holder of 30 Shares, but he is the holder of 37 Shares.

Deducting the above Shares which aggregate 323. from the total of 946 Shares as represented in the Memorial, leaves a balance of 623. Shares, whereas the minimum number of Shares under Section 56 of Act X of 1866 to entitle Memorialists to come before the Local Government should be 700: this number being one-fifth of the whole number of Shares of the Bangalore Bank Limited.-

Moreover

(6) Moreover, I would respectfully submit, that A.R. Subbalutty Mondelliar having signed for two other individuals for ten shares and V. Gungatharah Chetty having also signed for seven other persons for 40 shares does not appear to me to be legal; and this would therefore render the actual signatures to the Memorial as representing only 573. shares.

(7) I would respectfully submit for consideration that the Directors have called for an Extraordinary General Meeting of Shareholders to be held on Saturday next the 29th Instant, for the very purpose of laying before them the details connected with the Enquiry ordered at the General Meeting of the 27th February 1877. It is remarkable that instead of (if actually necessary) availing themselves of the provisions contained in Section 60 of Act X of 1866, the Memorialists should have presumed to address the Local Government with a one sided and prejudicial Memorial, thereby seeking, as I trust will be obvious, to further the personal motives of two or three interested parties and to the serious loss and detriment

detriment of the general body of Shareholders and the welfare of the Bank.

(8) Before concluding, I would submit for the information of the Chief Commissioner that of the whole body of Directors viz 4 Natives and 3 Europeans, three of the Natives Ramalingum, V. Govindoo Chetty and his son in law Venkatachella Chetty have always tried to obstruct the operations of the Bangalore Bank and that too from interested motives, it being their desire to have the Bank removed to the Bazaar, in which attempt however they failed. Besides it is worthy of notice that whereas the three Natives abovementioned are the authors of the 2d Report submitted for the signing of the Committee, two of them viz Ramalingum and Govindoo Chetty have resigned their Directorship without substantiating their assertions in the Report, and the third Native has actually signed the Memorial against himself.

9. Under the above circumstances, I respectfully trust that the Chief Commissioner will be pleased to dismiss the Memorial in question

I have the honor to be
Sir.

Your Most Obedient Servant

P. H. Burn

Agent Bangalore Bank.

34

3 11

Letter from Agent, Ft. Berthold

27 Sept 1877

Office of Pawnee
Ag. Fort Berthold D.T.
Sept 27th 1877

Sir

I have the honor to report that
Gros a Ventre Indians
Pawnees Mandans
& Arikaras
have all signed the
Treaty recently
Negotiated with
them and that
the Agency is
now in a
Peaceful Prosperous
Condition. The
Crops are
Fine & abundant
& the
Indians are
all in
Good Health

Very Respectfully
Your Obt Servt
A. C. Fisk
U.S. Indian Agt

Draft mailed 27-9-77

1877 35 2/3/2

From

To Her Majesty's
Governor and Chief
Commander in and over
the Bahama Islands
(Limited)

Dated 2nd the Hon. Legislative
Council

Despatched 8th Sept 1877

Received Dated 27th September

Despd. Enclosures No. 1 Extract

General No. 6206

No. 283

Forwards Memorial from
Inhabitants of Harbour Island
praying for a
Post Office

of Bank Shares represented on the printed Memorandum of the 15th September 946

Do on Mr. Leonard's letter of 27th Septr. 146

Do on R. B. Narrainsamy Moodlia's reply 28th Septr. 291

Total 1383

Deduct Mr. Meyler's shares as per his letter of the 27th Septr. requesting that his signature be cancelled from the Memorial 135

Do doubtful as per para 6 of Mr. Barnes' Explanation of 27th Septr. 323

Total to be deducted 458

Balance remaining 925

Add Mr. Vincent-Abra hami's shares as per Mr. Roorchi's letter just received 4.30 P.M. 37

Total 962

29-9-77

The Memorial gave more than the proportion fixed by the Act and Articles of the Company's Agent of the Government to be held to say that the Shareholders would have to appoint an Inspector or Inspectors as the case of the Act's Circulate, the applicants may have their Petition by an independent Petition and then have the Petition signed by the Shareholders

Bank Shares 1-10-77

36 1877 U3241 5-39/2

From Mr. A. Narrainsamy Moodlia, Shareholder & Member of the Bungalow Bank (Ld.

To The Secretary to the Government

Dated 28th September

Despatched

Received 28th

Enclosures No. - See list

General No. No.

Enclosures in dated Madras

In reply to Docket No 6206/283 dated 27th instant, submits explanation on behalf of the Shareholders on the points alluded to in the extract therewith forwarded.

Secretary's order

"Put up with the Extra "Signatures sent yesterday and show order "eliminating the names "of those who are doubtful, so that is the actual "number of Shareholders "regarding whom there "is no question

S. "77 C C

28-9-77

Aggregate number of

Bangalore 28th Sept/77

37

Major J Clarke

Secretary to the

847 Chief Commissioner of

Mysore & Coorg

Bangalore.

Sir

With reference to your docket

No $\frac{6206}{283}$, dated 27th instant, forwarding

Extract from a letter from the Agent B.B

(Ld) of same date, I, on behalf of the Shareholders to the Shareholders' Memorial

to the Local Government, beg to state the

following in reply

(I.) Dr J H Orr is a Registered Share

holder and recognised as such by the

B. Bank, otherwise it could not be possible

for his name to appear in the Register

of that Bank, as the holder of a certain

given number of Shares. By that Register

the Bank, is bound to all intents and

purposes, and moreover the entry in that

Register could not so appear until the

Shares held by Dr Orr are duly transfered

to his name according to the Rules of the

Bank and under the Signatures of the

President, of other Directors, and of the Agent

all

all this proves that if the shares held by Dr Orr were not so recognised, they would be utterly valueless to himself or anybody else, and would have to be considered as non-existing, altho they form part and parcel of the paid up Shares of the B. Bank. Dr Orr has hitherto cast in Vote Chits as a shareholder which have always been accepted and registered, the last instance of which happened this very week and is with reference to the General meeting to be held on the 29th Inst.

II) Mr P Krishnaswamy Mudaliar states that he holds three paid up Shares and cast a Chit which represents 120 Rs as allotted by the Agent and that his having signed the Memorial in the Capacity for his daughter Pulchanal, is not open to any legal objection.

III) Mr A. R. Sabapathy Mudr, as President of the Hindoo Family Pension Fund being the most responsible representative is justified in having signed the Memorial for the 196, and did so with the knowledge and approval of the Trustees. Mr Sabapathy Mudliars intention to resign the Presidentship takes effect only from the 1st Oct, next so that he is still the President of that

Fund. It is clear from the Agents objec
tions that the B. Bank (Ltd) resorts to every
possible quibble and snaps at every faint
hope of reducing the Shares held by the
Signatories to the Memorial, to a number
below the minimum of 700, as prescribed
under Sec 56 of the Indian Companies Act,
which in fact may be compared to a
drowning man clutching at a straw.
(IV.) Mr. V. Gungathara Chetty is the son of
Rai Bahadur V. Govindoo Chetty of Banga
=lore and the nephew of Mr V. Soundroy
Chetty of Bellary, who was recently at this
Station and left for Bellary knowing that
the Memorial was being prepared and would
be submitted to the Local Government. Mr
Soundroy Chetty's departure from Banga=
=lore, was just the day previous to the Me=
=morial being signed. It is not likely that
Mr Gungathara Chetty, who is a very respect=
=able citizen, would have signed for his uncle
"as requested," in the presence of his father &
of Mr Venkatachellum Chetty, one of the present
Directors of the B. B, if he had been empowered
to do so. In para 4 of the Shareholders' Mem
=orial the Signatories undertake to furnish
Powers of Attorney if necessary from all
those important Shareholders residing

in Australia Stations, and this Mr Gungatharan Chetty is prepared to do for both V. Soundra Chetty and V. Suyanarayan Chetty of Bellary on whose behalf he signed.

V. With reference to the Agent's further objection, about Mr A. R. Sabapathy Mudr and Mr V. Gungatharan Chetty having signed for others, it is apparent to remark that the former signed for two of his young daughters, and the latter gentleman for the minors of his family, in whose names certain shares belonging to the family have been registered.

VI. I earnestly trust that the Local Govt will not fail to observe the despairing and hopeless struggle on the part of the Agent and former Directors, who doubtless are ill-advised, in their endeavours, frivolously to make it appear that the Memorial submitted to the Local Govt does not represent the required Minimum of 700 shares.

VII. I, on behalf of the General body of Shareholders, most emphatically deny that there is signature which may be termed invalid or illegal, and as a further effort on the part of the Shareholders, giving weight and strength to the Memorial, duly printed Copies of the same, signed by eleven Shareholders on the Roll, representing 243 shares as herewith submitted, and to these must be added four similar

Copies

Copies, signed by four shareholders of the Bank representing 146 shares, forwarded to you by Mr T. J. Leonard on the 27th Inst; which to add to the untruly alledged minimum of 573 shares as stated by the Agent, will now represent a total of 962 shares.

VIIIth / In conclusion, I most earnestly request on behalf of the shareholders of the B. Bank (Ltd) that in protection of their interests, the Local Government will be pleased to guard against and firmly to resist all such frivolous pretences and quibbles on the part of the Agent and Directors, which I beg to assure you are mere by-puts forward, with the sole object of creating a ruinous delay, and frustrating every honest intention on behalf of the Shareholders; for, it is perfectly clear, that the present management of the Bank is extremely anxious to gain time and to put off the evil day for themselves, utterly regardless of the further loss and ruin, they will doubtless heap on the heads of the Share-holders.

I have the honor to be

Sir

Your most obedt Servt

J. Nesbitt Langley

Shareholder & one of the

Appointed Trustees B. B. Ltd

4

Letter from Mr. Mc
Lean 28 Sept. 77

III

69

1877

V 124

5 2 10/2

From Mr Gooch

To

Dated 29th Septr

Despatched

Received 30/9/77

Enclosures No./

General No.

No. 5547

Forwards a memorial from Mr D. V. Abraham of Bellary who holds 37 shares in the Bangalore Bank

Ans 1/10

To Mr A Narasimmayya Manager a Shareholder Member of 1324 1/2 1/2

29/9/77

7 Museum Road
Bangalore 29th Sept 1877

Major Tudor Pollexfen
Secy with Chief Commissioner
Bangalore

Sir

I have the honor to forward a Copy of the Bangalore Branch Shareholders' Memorial to the Government just received from Mr D. V. Abrahams of Bellary, and bearing his signature

I believe he is the holder 34 Shares in the said Bank.

I have the honor to be
Sir
Your most Obd. Servant
Reproved

71

To

C. B. SAUNDERS, Esq., C. B.,

Chief Commissioner of Mysore & Coorg.

In the Matter of the INDIAN COMPANIES ACT, X of 1866.

AND

In the Matter of the BANGALORE BANK (Limited), carrying on business at South Parade, Bangalore.

The MEMORIAL of the undersigned SHAREHOLDERS of the above mentioned BANGALORE BANK, (Limited.)

RESPECTFULLY SHEWETH,

1. THAT your Memorialists have strong reasons for anxiety with reference to the present condition of the said Bangalore Bank (Limited) and which they believe has drifted into such state by reason of gross irregularities and mismanagement on the part of the Directors and Agent thereof.

2. That your Memorialists have had ample proof of the improper reticence, which has been persistently adhered in on the part of the Directors and Agent, in view to preventing all Shareholders from acquiring a knowledge of the true state of facts about the Bank, and this conduct on their part has been, despite the investigation held since the Shareholders Meeting of the 27th February last, and which investigation, the Directors and Agent must have known was the means of disclosing some of the many irregularities of the Bank.

3. That in proof of this persistent reticence on the part of the Directors and Agent, your Memorialists desire to state that in May last, the Appointed Members who held the investigation directed by the Shareholders, caused to be printed and furnished to the Agent of the said Bangalore Bank (Ld.), for circulation among all the Shareholders, 600 copies of a pamphlet (in English, Canarese, and Tamil), containing the Directors Report, (1), Mr. B. Ramalingum's Report, (2) the Agent's Rejoinder, (3), the Agent's Report, (4), and the Auditor's Report, (5) which pamphlet the Directors and Agent wrongfully withheld from the Shareholders, and thereby intentionally prevented all Shareholders from acquiring any knowledge of such important information contained therein, and which moreover, formed the very basis of the investigation resolved on by the Shareholders at their last meeting in February 1877, and held accordingly.

4. That the said investigation by the Appointed Members together with the Directors of the said Bank, has terminated, the details of which are set forth in the printed Proceedings of the Meetings of Enquiry in book form furnished to all Shareholders, together with the Report of the Appointed Members thereon, in print, copies of which are herewith respectfully submitted

for the information of the Local Government, together with three copies of pamphlets circulated among Shareholders by Mr. H. C. Gooch, who was Pleader of the Bank; and from all these it can be clearly gathered that the present condition of the said Bangalore Bank (Ld,) is extremely undesirable, but the full extent of its ruinous and unstable condition and all the various causes which must have originated such a reprehensible state of matters, is, in our opinion, far from being sufficiently and lucidly known, by reason of the limited power deputed to the two Appointed Members and of their consequent inability to unravel the many intricacies which were found to exist, added to the obstacles wantonly thrown in the way of the Appointed Members by the very Directors of the said Bangalore Bank (Ld.) during the whole course of the investigation; that your Memorialists, many of whom are likely to suffer much by any further injury to the Bank and being anxious that every possible measure should be adopted speedily to resuscitate it, desire to state their wish plainly against the Bank being wound—up if it can be ascertained that such step can be obviated; and your Memorialists also desire to express their conviction that nothing short of a most thorough and searching investigation can help to assist and establish the required resuscitation; as such would make plain not only the full extent of all irregularities, losses, and damages, but it would also bring to light, the liability of the persons guilty of negligence and impropriety, and therefore the prospect of the Shareholders requiring the recouping from such parties according to their responsibilities, which would be one of the surest means of the re-establishing of the Bank with something like an approximate amount of its funds, without which it may probably collapse.

4. That many important Shareholders of the said Bangalore Bank (Ld.) reside at distant stations, and whom your Memorialists feel sure would glady sign this MEMORIAL if they were present in the station, and from whom your Memorialists undertake to furnish powers of Attorney, if necessary, to sign this Memorial on their behalf; but your Memorialists submit this MEMORIAL speedily as they apprehend great danger to their interests if any further delay be permitted, and your Memorialists beg to assure the Local Government that printed copies of this Memorial shall be duly forwarded to all Shareholders residing out of Bangalore.

5. That your Memorialists are aware the power rests with the Shareholders to appoint Inspectors under the provisions of Section 60, of the INDIAN COMPANIES ACT, X of 1866, but your Memorialists specially desire to avoid adopting this measure, knowing as they do, the difficulties, delay and opposition which would be studiously created by some of the local Shareholders, who are either defaulters themselves to the Bank or in some way directly interested in matters of indebtedness, apparently on the part of Non-Shareholders, and whose main object it would be to frustrate all such honest intentions.

6. That as an instance of delay and an effort to frustrate upright proceedings your Memorialists respectfully draw attention to the obstinacy and wilful neglect on the part of the Directors and Agent in not convening a General Meeting of the Shareholders until the 12th Instant and subsequent to the circulation of Mr. Gooch's Pamphlet No. 3, at page 12 of which, he called the special attention of all Shareholders to the necessity of sending in a requisition to convene an EXTRAORDINARY GENERAL MEETING, which Mr. Gooch did at the special request of the Appointed Members, whose repeated application to the Agent for such meeting was wantonly and wilfully disregarded.

7. That your Memorialists would further draw the attention of the Local Government to the wanton neglect and failure on the part of the Agent (which doubtless the Directors must have been aware of,) to furnish the Appointed Members with a correct list of the Shareholders so repeatedly called for in writing by the said Appointed Members, and this obstinacy was continued despite the Directors and Agent's knowledge that they were bound to act in compliance

nder Section 31 of the INDIAN COMPANIES ACT, X of 1866; and further that Mr. Gooch rote on behalf of the Appointed Members to the Agent on the 28th August (see page 10 of [r. Gooch's pamphlet No. 3) requesting the Agent to furnish such list and evenwarned him that he did not *forthwith* comply, an application would be made to the Judicial Commissioner for a *[andamus*, and that the circumstance would be reported to the Registrar of Joint Stock Comanies in Bangalore; but in the face of all this, the Agents obstinacy has *persistently continued* nd the appointed Members have done their best, with the aid of a list of Shareholders obtained om Mr. Gooch, to circulate their Proceedings and Report.

8. THAT your Memorialists therefore pray that, under Section 56 of the INDIAN COMANIES ACT, X of 1866, the Local Government may be pleased to appoint such number of competent Inspectors as it may deem fit to examine into the affairs of the said Bangalore Bank (Ld.), nd to report thereon in such manner as the Local Government may direct.

AND your Memorialists as in duty bound
Shall ever Pray,

Daniel Vincent Shaham

BANGALORE, 15*th Sept.* 1877.

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1877

To:-
Rao Bahadur
Narrainswamy Mudr
Hon'ble Shareholders
Bangalore Bank Limited
Agent Bangalore Bank

Approved
Dated 4-10-77
Dated 4th October

General No: 6413
G. 955

In reply to the Memorial dd 15th Septr 1877 intimates that the Govt is prepared to appoint two Inspectors (Messrs Lacey & Jennings) for investigating the affairs of the Bank under Sec 56 of the Indian Companies Act

Dept ordr, Endg
the application
of 15 Sep & subjoins
letter, stating that
the applicant having
not the applicant
to have
the value of Rs on
to prepare & appoint
Messrs Lacey and
Jennings as Inspectors
under the provisions of
Sec of the Act. The
applicants Attorney
appeared
Clerk after Secretary
a sum of Rs to

75

Proceedings of the Chief Comm.r
of October 1877.

No 6413 of 5th Oct.r 77 Read the following letter.
955 Memorial of 15th Sept 1877 with
6 Enclosures from A. Karraweewa
Mud.r and Other Shareholders
of the Bangalore Bank (Ld.)
Letter of 22nd Sept 1877 from Mr. T.T.
Leonard, Shareholder B. B.
with 2 Enclosures.
Bank
1-27
C
This Office Letter to the Agent Bang. Bank
No. 6114/280 of 24th Sept 1877
Letter from the Agent Bang. Bank
of 27th Sept 1877.
Do. from Mr. J. Mengher of 27th Do.
This Office do. 6206/283 of 27th Sept 1877
to Rai Bahadur A. Karraweewa
Mud.r, Shareholder, B. Bank &
the Other Signatories of the printed
Memorial of 15th Sept 1877
Letter from Mr. T.T. Leonard of 27th Sept
1877 with 4 Enclosures
Letter from Mr. A. Karraweewa Mud.r
Shareholder & Member of the B.
Bank (Ld.) of 28th Sept 1877
Letter from Mr. Gooch of 29th Sept 1877
with One Enclosure

Order.

The Chief Comp. having
satisfied himself that the
Applicants Who signed the
Memorial of 15th Sept 1877

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Should there be the value of 1/5th of aggregate amount of the Bank stock as prepared to appoint two persons (with the concurrence of the Presidency Committee (2nd)) as Inspectors under the provisions of Section 6 of the Indian Companies Act for the purpose of carrying out the applicants will be required to lodge in Cash or approved securities a sum of Rs.1,000 to cover charges for remunerating the Inspectors and for meeting other incidental expenses which may arise in connection with the inquiry.

3/6/77 Col.

Wm 4 10 77

Secretary.

To Rai Bahadur A Narrainsami Iyer Shareholder, Bangalore Bank (Limited) and the other signatories of the Memorial.

The Agent Bangalore Bank-